

(b) to (d) Action has been initiated to appoint the first six empanelled executives in the panel as Executive Directors in various nationalised banks against the existing vacancies. The appointment of other persons in the panel would depend on the availability of vacancies during the period of validity of the panel.

Circulation of Fake Currency Notes

† 1763. SHRIMATI SAROJ DUBEY: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the fact that people are facing difficulties due to the problem of circulation of fake currency notes on a large scale in the country;

(b) if so, the steps taken by the Government to check the same; and

(c) whether Government are going to change the design and colour of notes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) There are complaints about circulation of fake currency notes in the country. However, the total quantity of fake notes recovered/seized is only a miniscule proportion of the total notes in circulation. But the Government is serious in the matter and has taken the following steps in this regard:—

- (1) A High Level Committee has been constituted to go into the entire gamut of issues pertaining to the security dimension of Indian currency.
- (2) A six-member Fact Finding Committee under the convenorship of a Deputy General Manager, Reserve Bank of India, comprising of experts on note-printing/currency paper, etc., has been set up for examining the seized fake notes to enable the Government to take remedial action *vis-a-vis* printing and security features.
- (3) The Reserve Bank of India has undertaken a publicity campaign about security features incorporated in the genuine notes.
- (4) The security features of Rs. 500 denomination notes have been widely published in the print and electronic media to help the people to detect fake notes.

† Original notice of question was received in Hindi.

- (5) A film on security features of Rs. 500 denomination notes produced in English, Hindi and other regional languages is being repeatedly telecast on Doordarshan.
- (6) For the benefit of public a booklet has been brought out which, *inter-alia*, describes the features of genuine notes. This booklet has been placed on RBI's website, www.rbi.org.in, besides being available to the public at RBI's Issue Offices.
- (7) The Central Bureau of Investigation has created a special unit for exclusive investigation of counterfeit currency note cases.
- (8) The Border Security Force has alerted its troops to be more vigilant in checking the smuggling of notes across the border. Instructions have also been issued to all State Governments particularly, border States, to be more vigilant.
- (9) A third series of Rs. 500 rupee note in the new colour scheme with additional security features is in the final stage of approval and these would be issued shortly. Initially, these notes are proposed to be issued to the public in exchange for the 500 rupee notes issued in 1987, i.e., those with Ashoka Pillar watermark in which forgeries have been detected.

Rate of inflation

† 1764. SHRIMATI SARLA MAHESHWARI: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that a rate of inflation has increased and reached upto 6.28 percent during the week ending 17th June, 2000; and
- (b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes Madam, that was the provisional inflation rate on that date.

- (c) The increase in the administered prices of fuel products like LPG and Kerosene in March 2000 together with 40% increase in Diesel prices earlier in October 1999 resulted in pushing up the annual rate of inflation by over 2 percentage points.

† Original notice of the question was received in Hindi